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## Before the POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Valassis NSA Docket No. MC2012-14

Valassis NSA Docket No. R2012-8

## IN RESPONSE TO ORDER No. 1330

(May 24, 2012)

The second page of this notice contains a corrected version of page nine of comments filed by William C. Miller yesterday. This page should be substituted for the original version.

Respectfully submitted,

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more states. Second, the Commission should ask the Postal Service to modify their contribution estimates by any incremental administrative expenses that may be created because of the new program. There is a significant program expansion expected in the second and third contract years which may precipitate such costs. Third, the Commission should request that the Postal Service modify its data collection plan so that annual Valassis data on NSA and non-NSA mail volumes and piece weights are reported to the Commission at a minimum. These data would assist the Commission in fulfilling its annual compliance related responsibilities with respect to the NSA.

Last, it is important to view Section 3622(c)(10)(A)(i) of the PAEA from a long run context. That is from the Postal Service's perspective, this NSA should be viewed as a mechanism to increase contribution permanently for the benefit of both parties. Surely, this was the intent of the Congress as imbedded in the language. Once new contribution increasing markets are developed through price discounting, the issue of how to secure realized gains on a permanent basis then becomes important. Post contract pricing arrangements play a crucial role in this regard. As Valassis data become available for compliance-related purposes, there is an opportunity to study this issue further so that both Valassis and the Postal Service realize permanent benefits.

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